

April

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FILED

JUN 20 2014

SECRETARY, BOARD OF
OIL, GAS & MINING

Attorneys for Red Leaf Resources, Inc.

**BEFORE THE BOARD OF OIL, GAS AND MINING
 DEPARTMENT OF NATURAL RESOURCES
 STATE OF UTAH**

LIVING RIVERS,
 Petitioner,

vs.

UTAH DIVISION OF OIL, GAS & MINING,
 Respondent,

RED LEAF RESOURCES, INC.,
 Intervenor-Respondent.

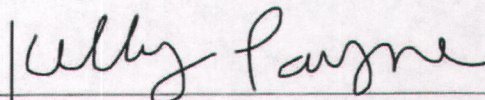
**ORDER GRANTING STIPULATION TO
 DISMISSAL WITHOUT PREJUDICE**

Docket No. 2012-17
 Cause No. M/047/0103

The Board, having considered the certain Stipulation to Dismissal Without Prejudice ("Stipulation") filed on June 6, 2014 by Intervenor-Respondent Red Leaf Resources, Inc., Respondent Utah Division of Oil, Gas & Mining and Petitioner-Living Rivers (collectively, the "Parties"), and good cause appearing therefore, hereby GRANTS the Parties' request and dismisses this matter without prejudice subject to the conditions set forth in the Stipulation attached hereto as Exhibit "A."

DATED this 20th day of June, 2014.

STATE OF UTAH
 BOARD OF OIL, GAS AND MINING



CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing **ORDER GRANTING STIPULATION TO DISMISSAL WITHOUT PREJUDICE** for Docket No. 2012-017, Cause No. M/047/0103 to be mailed with postage prepaid, this 24th day of June, 2014, to the following:

Joro Walker
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[Via Email]

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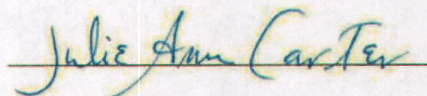
Handwritten signature of Julie Ann Carter in blue ink.

EXHIBIT A

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

LIVING RIVERS,

Petitioner,

vs.

UTAH DIVISION OF OIL, GAS & MINING,

Respondent,

RED LEAF RESOURCES, INC.,

Intervenor-Respondent.

**STIPULATION TO DISMISSAL
WITHOUT PREJUDICE**

Docket No. 2012-17
Cause No. M/047/0103

Living Rivers, Utah Division of Oil, Gas and Mining ("Division") and Red Leaf Resources, Inc. ("Red Leaf" and collectively "Parties"), by and through their respective counsel, enter into the following Stipulation and respectfully move the Utah Board of Oil, Gas and Mining ("Board") for an Order dismissing the proceedings in the above-captioned matter with the conditions identified below.

Background

1. On June 26, 2012, the Parties to this proceeding entered into a stipulated agreement proposing that the Board stay the proceedings regarding Living Rivers Request for Agency Action dated March 19, 2012 ("2012 RAA") challenging Red Leaf's mining permit until the Utah Division of Water Quality ("DWQ") made a decision on Red Leaf's application for a ground water discharge permit ("GWDP"). By an Order dated June 27, 2012, the Board stayed the proceedings in this matter to permit the Division to make a further evaluation of the Notice of Intent to Commence Large Mining Operations ("NOI") after DWQ either issued a GWDP to Red Leaf or provided written confirmation that a permit was not required.

2. On December 20, 2013, DWQ issued a GWDP to Red Leaf, but limited the scope of that permit to approval of the construction of a single Early Production System (EPS) capsule. On the same day, Red Leaf submitted the GWDP to the Division as an appendix to the NOI.

3. On January 23, 2014, following review of the DWQ's GWDP, the Division issued a letter to Red Leaf identifying several aspects of the NOI that required modification as provided for in the June 26, 2012 stipulation. On February 3, 2014, Red Leaf submitted a modified NOI pursuant to the Division's letter. On February 24, 2014, the Division issued a letter to Red Leaf approving the February 3, 2014 amendment adding the EPS capsule NOI and stating "the Division now permits you to begin mining operations as outlined in the NOI."

4. On April 8, 2014, the Division issued a Notice of Final Decision, notifying the Parties that, pursuant to the "Division's February 24, 2014 letter approval, an EPS capsule and all other mining operations outlined in the NOI may be constructed and operated with the exception of additional capsules which may require a ground water discharge permit from the DWQ." In that notice, the Division further stated that, "any modifications to the GWDP required by DWQ, after obtaining results from the EPS capsule, will be submitted as an update to the NOI. The Division will determine whether any NOI updates resulting from any modification of the GWDP for the EPS Capsule or new GWDPs required for additional capsules are insignificant amendments which do not require public notice pursuant to R647-4-118 or if such updates are significant revisions to the NOI which require public notice and comment pursuant to R647-4-119."

5. As provided for in the June 26, 2012 stipulated agreement, on May 6, 2014, Living Rivers timely filed an amended pleading in this matter.

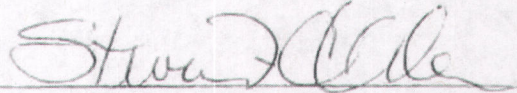
The Parties request the following:

1. Given that the Division has limited its approval to the construction of the single EPS capsule and all other mining operations outlined in the NOI, that this matter be dismissed without prejudice until the Division makes a further evaluation of the NOI and makes a final decision on whether to permit the construction of any additional capsules. The Division will make this evaluation and decision after DWQ, based on the results of the EPS capsule testing, either issues a modified or new discharge permit to Red Leaf, or provides written confirmation that a permit is not required for any additional capsules.
2. Within 30 days of DWQ's decision on the discharge permit, the Division will issue a decision on whether the NOI requires modification based on the decision by DWQ and/or on the test results from the EPS capsule.
3. If the Division determines that the NOI must be modified based on the test results and/or the DWQ decision, or if the Division determines that no modification is necessary, the Division will give written notice of its determination to Red Leaf and Living Rivers. Red Leaf will respond within 30 days to any request by Division that the NOI be modified.
4. After review of the response by Red Leaf, or, if the Division requires no modification to the NOI, the Division will make a final decision on the NOI and provide notice of this decision to Red Leaf and Living Rivers.
5. Within 30 days after this final decision by the Division, Living Rivers may file a Request for Agency Action with respect to the issues and claims raised in its 2012 RAA and any new issues that arise based on the EPS test results and/or modifications to Red Leaf's NOI as a result of DWQ's decision.

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Dated this 5th day of June, 2014.

DIVISION OF OIL, GAS AND MINING



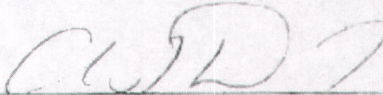
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Kassidy Wallin

Assistant Attorneys General

Counsel for the Division of Oil, Gas and Mining

WESTERN RESOURCE ADVOCATES

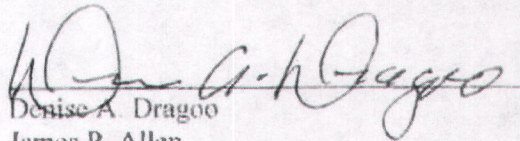


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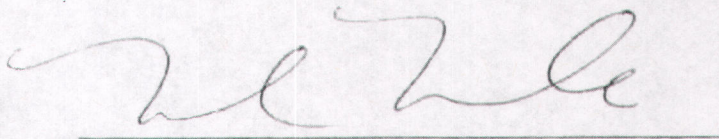
CERTIFICATE OF SERVICE

I hereby certify that on the ²⁶2 day of June, 2014, a true and correct copy of the foregoing
STIPULATION TO DISMISSAL WITHOUT PREJUDICE was served by e-mail and United
States Mail, postage prepaid, to the following:

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A handwritten signature in cursive script, appearing to read "J. Walker", is written over a horizontal line.